

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re

FTX TRADING LTD., *et al.*,¹

Debtors.

Chapter 11

Case No. 22-11068 (KBO)
(Jointly Administered)

Re: D.I. 17671, 27969, 27980, 28289, 28869

Hearing Date: June 25, 2025, at 9:30 a.m. ET

**FEE EXAMINER'S SUMMARY REPORT
ON INTERIM AND FINAL FEE APPLICATIONS**

TO: THE HONORABLE KAREN B. OWENS
CHIEF UNITED STATES BANKRUPTCY JUDGE:

The Fee Examiner appointed in the above-captioned chapter 11 cases (the “Fee Examiner”) submits this summary report (the “Report”) pursuant to the *Order (I) Appointing Fee Examiner and (II) Establishing Procedures for Consideration of Requested Fee Compensation and Reimbursement of Expenses* [D.I. 834] (the “Fee Examiner Order”) to advise the Court on the status of the fee review process and to recommend the Court’s approval of the interim fees and expenses and the final expenses outlined on the attached **Exhibit A**, as discussed in detail below. The Fee Examiner’s review of the interim and final applications listed on **Exhibit B** is ongoing, and the Fee Examiner requests adjournment of those applications to a subsequent omnibus hearing date.

Summary of Recommendations

The Fee Examiner has reached consensual agreements, subject to Court approval, with

¹ The last four digits of FTX Trading Ltd.’s and Alameda Research LLC’s tax identification number are 3288 and 4063 respectively. Due to the large number of debtor entities in these Chapter 11 Cases, a complete list of the Debtors and the last four digits of their federal tax identification number is not provided herein. A complete list of such information may be obtained on the website of the Debtors’ claims and noticing agent at <https://cases.ra.kroll.com/FTX>. The principal place of business of Debtor Emergent Fidelity Technologies Ltd is Unit 3B, Bryon’s Commercial Complex, Friars Hill Road, St. John’s, Antigua and Barbuda.

the professionals listed below. The Fee Examiner’s recommended adjustments—all consensual—are outlined on the attached **Exhibit A**.

FEE EXAMINER’S RECOMMENDATIONS

**UNCONTESTED DEBTORS’ PROFESSIONAL’S INTERIM APPLICATION
RECOMMENDED FOR COURT APPROVAL**

Ernst & Young LLP

1. On June 14, 2024, Ernst & Young LLP (“EY”) filed the *Second Interim Fee Application of Ernst & Young LLP* [D.I. 17671] (the “EY Second Fee Application”), requesting \$4,184,211.75 in fees and \$43,766.03 in expenses.

2. The Fee Examiner identified several irregularities in the EY Second Fee Application, including very late fee submissions, undisclosed revisions to the scope of work, work performed by EY affiliates and “member firms” not explicitly authorized to provide services in the retention order, and unusual professional titles and billing rates. After an extensive exchange of information and discussion, the stipulated adjustments to fees and expenses are sufficient to address the Fee Examiner’s concerns, with no Reserved Issues. The Fee Examiner is satisfied that the agreed adjustments adequately address all identified issues and now recommends Court approval of the EY Second Fee Application, as adjusted and outlined on **Exhibit A**.

FINAL INVESTMENT BANKER EXPENSES RECOMMENDED FOR COURT APPROVAL²

Perella Weinberg Partners LP

3. On February 3, 2023, the Court entered the *Order Authorizing the Retention and Employment of Perella Weinberg Partners LP as Investment Banker to the Debtors Nunc Pro Tunc to November 16, 2022 and (II) Waiving Certain Reporting Requirements Pursuant to Local Rule 2016-2(H)* [D.I. 615].

4. On November 15, 2024, Perella Weinberg Partners LP (“Perella”) filed the *Final Fee Application of Perella Weinberg Partners LP* [D.I. 27980] (the “Perella Final Fee Application”), requesting \$1,482,278.18 in expenses, most of which consisted of fees and expenses of Perella’s outside counsel at Porter Hedges LLP (“Porter”) and Mayer Brown LLP.

5. On November 25, 2024, Perella filed the *Supplement to Final Fee Application of Perella Weinberg Partners LP* [D.I. 28289] (the “Perella Supplemental Final Fee Application”), which identified an additional expense—totaling \$9,075.00 for services Porter performed May 1, 2024 through May 31, 2024—that had been previously omitted from Perella’s request.

6. The Fee Examiner subjected the outside counsel fees and other expenses to the same analysis applicable to Retained Professionals in these cases, identifying some areas of concern, including some block-billed entries, billing errors, potentially transitory timekeepers, improper charges for local travel, and various questionable expenses.

7. In a confidential letter report to Perella, the Fee Examiner identified non-compensable hotel, meal, and transportation charges and questioned the issues identified above

² Flat-fee financial professionals (investment bankers) were exempted from the Fee Examiner process. *See* Fee Examiner Order at ¶ 3(iv). Notwithstanding the exemption, at the December omnibus hearing, Judge Dorsey identified several irregularities with investment banker expenses, tr. December 12, 2024 at 7:10-10:2, and ultimately ordered the Fee Examiner to review those expenses. *See Supplemental Order Expanding the Scope of the Fee Examiner’s Duties With Respect to Certain Professionals* [D.I. 28868]. This report includes recommended adjustments to the final expenses of two of the investment bankers, *see Exhibit A*.

regarding its outside counsel expenses. The Fee Examiner and Perella engaged in discussions and an exchange of information that resolved some of the Fee Examiner's concerns. In other instances, Perella has agreed to adjustments to requested expenses sufficient to resolve the Fee Examiner's concerns. The Fee Examiner now recommends approval of Perella's expenses, as adjusted, on a final basis as outlined on **Exhibit A**.

Rothschild & Co. U.S., Inc.

8. Rothschild & Co. US, Inc. ("Rothschild") served as the investment banker to the Executive Committee of the Ad Hoc Committee of Non-U.S. Customers of FTX.com pursuant to the *Order Authorizing the Debtors to Enter Into, and Perform their Obligations Under, the Reimbursement Agreements* [D.I. 3928].

9. Rothschild filed the *Combined Eleventh Monthly and Fifth Interim Fee Application (For the Period From August 1, 2024, Through October 8, 2024) and Final Fee Application of Rothschild & Co US Inc., as Investment Banker to the Executive Committee of the Ad Hoc Committee of Non-U.S. Customers of FTX.com, for Allowance of Compensation and Reimbursement of Expenses for the Period from July 1, 2023, Through October 8, 2024* [D.I. 27969] (the "Rothschild Final Fee Application") on November 15, 2024, requesting \$79,871.23 in expenses, most of which consisted of fees and expenses of Perella's outside counsel at Debevoise & Plimpton LLP and Covington & Burling LLP.

10. The Fee Examiner subjected the outside counsel fees and other expenses to the same analysis applicable to Retained Professionals in these cases, identifying some areas of concern, including the volume of time devoted to retention and fee application activities.

11. In a confidential letter report to Rothschild, the Fee Examiner identified non-compensable meal and transportation charges and questioned the issues identified above

regarding its outside counsel expenses. The Fee Examiner and Rothschild engaged in discussions and an exchange of information that resolved some of the Fee Examiner's concerns. In other instances, Rothschild has agreed to adjustments to requested expenses sufficient to resolve the Fee Examiner's concerns. The Fee Examiner now recommends approval of Rothschild's expenses, as adjusted, on a final basis as outlined on **Exhibit A**.

INTERIM AND FINAL DEBTORS' PROFESSIONAL'S APPLICATIONS RECOMMENDED FOR DEFERRAL
Ernst & Young LLP

12. On February 20, 2025, EY filed the *Third Interim Fee Application of Ernst & Young LLP* [D.I. 29610] (the "**EY Third Fee Application**"), requesting \$4,193,071.55 in fees and \$34,052.78 in expenses. The Fee Examiner's review of this application is ongoing.

13. On February 20, 2025, EY filed the *Fourth Interim Fee Application of Ernst & Young LLP* [D.I. 29611] (the "**EY Fourth Fee Application**"), requesting \$4,774,698.20 in fees and \$53,701.57 in expenses. The Fee Examiner's review of this application is ongoing.

14. On February 20, 2025, filed the *Fifth Interim Fee Application* of Ernst & Young LLP [D.I. 29612] (the "**EY Fifth Fee Application**"), requesting \$3,851,093.00 in fees and \$235,774.62 in expenses. The Fee Examiner's review of this application is ongoing.

15. On February 20, 2025, EY filed the *Sixth Interim Fee Application of Ernst & Young LLP* [D.I. 29613] (the "**EY Sixth Fee Application**"), requesting \$3,737,782.80 in fees and \$200,775.21 in expenses. The Fee Examiner's review of this application is ongoing.

16. On February 28, 2025, EY filed the *Seventh Interim Fee Application of Ernst & Young LLP* [D.I. 29801] (the "**EY Seventh Fee Application**"), requesting \$5,057,095.45 in fees and \$269,815.69 in expenses. The Fee Examiner's review of this application is ongoing.

17. On February 28, 2025, EY filed the *Eighth Interim Fee Application of Ernst & Young LLP* [D.I. 29807] (the “EY Eighth Fee Application”), requesting \$3,285,407.50 in fees and \$126,371.30 in expenses. The Fee Examiner’s review of this application is ongoing.

18. On March 3, 2025, EY filed the *Final Fee Application of Ernst & Young LLP* [D.I. 29847] (the “EY Final Fee Application”), requesting \$31,477,651.25 in fees and \$1,009,481.42 in expenses. The Fee Examiner’s review of this application is ongoing.

19. The Fee Examiner now requests that the EY Third through Eighth and Final Fee Applications be deferred to a future hearing date, as outlined on **Exhibit B**.

NOTICE

20. Pursuant to ¶ 9(g) of the Fee Examiner Order, the Fee Examiner will serve this Summary Report by e-mail on counsel for the Debtors, on counsel for the Committee, and each Applicant. The Fee Examiner will also serve this Summary Report upon the U.S. Trustee by e-mail and first-class mail. A copy of this report is available on the website of the Debtors’ notice and claims agent at <https://restructuring.ra.kroll.com/FTX/>. The Fee Examiner submits that, in light of the nature of this report, no other or further notice need be given.

CONCLUSION

WHEREFORE, the Fee Examiner respectfully requests the entry of an order, to be submitted by Debtors’ counsel under certification, granting the relief requested and such other and further relief as the Court may deem just and proper.

Dated: June 17, 2025.

GODFREY & KAHN, S.C.

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EXHIBIT A

Second Interim Fee Period Application Recommended:

	Applicant	Compensation Period Docket Index Filed Date	Interim Fees Requested	Fee Examiner's Recommended Fee Adjustments	Interim Expenses Requested	Fee Examiner's Recommended Expense Adjustments	Interim Fees Recommended for Approval	Interim Expenses Recommended for Approval
<i>Second Interim Fee Period (February 1, 2023 - April 30, 2023)</i>								
1	Ernst & Young LLP <i>Tax Services Provider to the Debtors</i>	2/1/2023 - 4/30/2023 D.I. 17671 6/14/2024	\$4,184,211.75	\$324,710.33	\$43,766.03	\$2,207.47	\$3,859,501.42	\$41,558.56

Final Investment Banker Fee Applications Recommended:

	Applicant	Compensation Period Docket Index Filed Date				Total Expenses Requested	Fee Examiner's Recommended Expense Adjustments	Total Expenses Recommended for Approval
<i>Final Expenses only per Supplemental Order Expanding the Scope of the Fee Examiner's Duties D.I. 28868</i>								
1	Perella Weinberg Partners LP <i>Investment Banker to the Debtors</i>	11/16/2022 - 10/8/2024 D.I. 27980, 28289, 28869 11/15/2024				\$1,491,353.18	\$37,559.98	\$1,453,793.20
2	Rothschild & Co US Inc. <i>Investment Banker for the Ad Hoc Committee of Non-US Customers of FTX.com</i>	7/1/2023 - 10/8/2024 D.I. 27969, 28869 11/15/2024				\$79,871.23	\$1,576.47	\$78,294.76

EXHIBIT B

Third - Eighth Interim Fee Period Applications Deferred:

	Applicant	Compensation Period Docket Index Filed Date	Interim Fees Requested	Fee Examiner's Recommended Fee Adjustments	Interim Expenses Requested	Fee Examiner's Recommended Expense Adjustments	Interim Fees Recommended for Approval	Interim Expenses Recommended for Approval
Third Interim Fee Period (May 1, 2023 - July 31, 2023)								
1	Ernst & Young LLP <i>Tax Services Provider to the Debtors</i>	5/1/2023 - 7/31/2023 D.I. 29610 2/20/2025	\$4,193,071.55		\$34,052.78			
Fourth Interim Fee Period (August 1, 2023 - October 31, 2023)								
2	Ernst & Young LLP <i>Tax Services Provider to the Debtors</i>	8/1/2023 - 10/31/2023 D.I. 29611 2/20/2025	\$4,774,698.20		\$53,701.57			
Fifth Interim Fee Period (November 1, 2023 - January 31, 2024)								
3	Ernst & Young LLP <i>Tax Services Provider to the Debtors</i>	11/1/2023 - 1/31/2024 D.I. 29612 2/20/2025	\$3,851,093.00		\$235,774.62			
Sixth Interim Fee Period (February 1, 2024 - April 30, 2024)								
4	Ernst & Young LLP <i>Tax Services Provider to the Debtors</i>	2/1/2024 - 4/30/2024 D.I. 29613 2/20/2025	\$3,737,782.80		\$200,775.21			
Seventh Interim Fee Period (May 1, 2024 - July 31, 2024)								
5	Ernst & Young LLP <i>Tax Services Provider to the Debtors</i>	5/1/2024 - 7/31/2024 D.I. 29801 2/28/2025	\$5,057,095.45		\$269,815.69			
Eighth Interim Fee Period (August 1, 2024 - October 8, 2024)								
6	Ernst & Young LLP <i>Tax Services Provider to the Debtors</i>	8/1/2024 - 10/8/2024 D.I. 29807 2/28/2025	\$3,285,407.50		\$126,371.30			

Final Fee Application Deferred:

	Applicant	Compensation Period Docket Index Filed Date	Total Fees Requested	Fee Examiner's Recommended Fee Adjustments	Total Expenses Requested	Fee Examiner's Recommended Expense Adjustments	Fees Approved on a Final Basis	Expenses Approved on a Final Basis
Final Fee Period (November 2022 - October 8, 2024)								
1	Ernst & Young LLP <i>Tax Services Provider to the Debtors</i>	11/28/2022 - 10/8/2024 D.I. 29847 3/3/2025	\$31,477,651.25		\$1,009,481.42			